



Advancing High Performance Health

One Prince Street  
Alexandria, VA 22314-3318  
☎ 703.838.0033  
✉ 703.548.1890

Feb. 4, 2025

The Honorable Mike Johnson  
Speaker  
U.S. House of Representatives  
Washington, DC 20515

The Honorable John Thune  
Majority Leader  
U.S. Senate  
Washington, DC 20514

The Honorable Hakeem Jeffries  
Minority Leader  
U.S. House of Representatives  
Washington, DC 20515

The Honorable Chuck Schumer  
Minority Leader  
U.S. Senate  
Washington, DC 20515

Dear Speaker Johnson, Leader Thune, Minority Leader Jeffries, and Minority Leader Schumer:

On behalf of AMGA and our members, I appreciate the opportunity to detail critical healthcare issues left unaddressed by Congress at the end of last year. Congress' inaction in addressing the reimbursement cuts to the Medicare Part B Conversion Factor, the short-term extension of the Medicare Hospital at Home program, the expiration of the Advanced Alternative Payment Model (APM) incentive, and the short-term extension of the current telehealth waivers until March have already deeply impacted our members. These items must be addressed in the March funding package to ensure that providers will not have to cut services, which could delay patient access to care.

AMGA members are currently at an uncomfortable impasse, with many of our members facing financial challenges resulting in cuts in services and staffing layoffs due to falling reimbursement rates, changes in the healthcare workforce, and increasing costs. Congress must renew its support for the Medicare program by addressing the 2.8% cuts to Medicare Part B reimbursement and investing in long-term strategies to provide consistent payment across the Medicare system. These investments are critical to ensuring patient access to quality care.

Founded in 1950, AMGA is a trade association leading the transformation of healthcare in America. Representing multispecialty medical groups and integrated systems of care, we advocate, educate, innovate, and empower our members to deliver the next level of high-performance health. AMGA is the national voice promoting awareness of our members' recognized excellence in the delivery of coordinated, high-quality, high-value care. Over 177,000 physicians practice in our member organizations, delivering care to more than one in three Americans. Our members are also leaders in value-based care delivery, focusing on improving patient outcomes while driving down overall healthcare costs.

As we begin the 119<sup>th</sup> Congress, we want to highlight some key issues that must be addressed in the upcoming March legislative package. The following are critical actions Congress must take for

multispecialty medical groups and integrated systems of care and the communities we serve:

- Sustain Medicare by Preventing Further Payment Cuts by:
  - Addressing the Decrease in the Medicare Part B Conversion Factor
- Extend the Current Telehealth Waivers
- Extend the Hospital at Home Program
- Extend the Advanced APM Program

### **Prevent Medicare Part B Reimbursement Cuts**

Over the past five years, AMGA member organizations have experienced almost 11% in cumulative cuts to Medicare Part B reimbursements. Due to Congress' inaction at the end of last year, AMGA members and their ambulatory care teams are currently reimbursed 2.8% less by the Medicare program while still performing the same services. This reduction in reimbursement and steep increases in labor and supply costs have exacerbated an already critical situation. A recent survey reveals that AMGA members are taking significant measures to mitigate the ongoing impact of Medicare cuts on their medical groups and integrated systems of care. According to the survey, over 40% of AMGA members are considering laying off non-clinical staff.<sup>i</sup> Over 40% may delay population health initiatives, and social drivers of health programs.<sup>ii</sup> More concerning is that providers may stop accepting new Medicare patients due to dropping reimbursement, severely impacting the 34 million Americans currently enrolled in traditional Medicare this year.<sup>iii</sup> This potential decrease in patient access to Medicare only adds to the urgency of this issue.

Given the actual and continuing impacts continued Medicare cuts have on providers and their patients, Congress must reverse the current Medicare cuts.

### **Extend the Current Telehealth Waivers**

This year marks the fifth year the telehealth waivers passed by Congress during the COVID-19 pandemic have been in place. The waivers, which eliminated Medicare's telehealth originating site and geographic limitations, created a dramatic shift in how care is delivered in this country. The law also extended recognition of audio-only payments in that same period. These policies should be extended permanently to ensure greater patient access to care. Patients in rural and urban areas who lack transportation can now receive care from their providers within the confines of their homes due to the waivers. An increase in remote patient monitoring created a new wave of care treatments for patients with chronic care issues who can now directly access provider appointments when there is a change in their health status. As a result, patients have come to expect telehealth services as a standard method of care delivered by their provider.

While AMGA appreciates the efforts taken by Congress in the American Relief Act of 2025, which extends the current waivers until March 31, Congress must ensure that this service remains permanently available to all patients and that AMGA members can use the technology as part of their innovative delivery models, which promote patient convenience and safety. Payment parity between in-office, telehealth, and audio-only should continue permanently, as AMGA members have made significant investments in telehealth modalities and platforms to ensure patients have access to care. Congress should consider the inclusion of the waivers in a comprehensive telehealth legislative package that includes permanent waivers for the expiring provisions and the continuation of payment parity between in-office, telehealth, and audio-only to ensure greater patient access to care.

### **Extend the Hospital at Home Program**

Congress must also continue supporting the Hospital at Home program, whose funding was extended until March 31. This innovative model, launched during the COVID-19 public health emergency (PHE), allows healthcare organizations to provide hospital-level care in a patient's home as a complete substitute for acute hospital care. The Hospital at Home program is extremely popular with program participants and providers. A recent report on the program by the Centers for Medicare and Medicaid Services (CMS) found that patients and caregivers interviewed by report investigators had an overall positive experience with the care provided in the home setting.<sup>iv</sup>

The Hospital at Home model represents the future of healthcare delivery in this country by allowing patients to stay in their homes. We urge Congress to extend this vital program by including a two-year extension in the upcoming March legislative package.

### **Extend the Advanced APM Bonus Program**

Last year, the CMS announced that in 2023 the Medicare Shared Savings Program (MSSP) yielded a program record of more than \$5.2 billion in net savings. Accountable Care Organizations (ACOs) in the MSSP garnered a total of \$3.1 billion in earned shared savings payments, another program record.<sup>v</sup>

The success of the MSSP demonstrates the importance of the 5% Advanced (APM) incentive payment. When the Medicare Access to CHIP Reauthorization Act of 2015 was enacted, it transitioned to value-based Medicare physician payment. Part of the law created a 5% Advanced APM incentive, which motivated providers to move toward value-based payment. Congress temporarily extended the eligibility to earn incentive payments, which expired at the end of 2024. The Advanced APM incentive payment has been vital to AMGA members, allowing them to reinvest in their medical group and expand their practices in rural and underserved areas. Congress must extend the program for an additional two years in its March legislative package.

Thank you for considering our recommendations, and we look forward to working with you throughout the year. If we can provide you with more information, please contact me or AMGA's Director of Government Relations Lauren Lattany at [llattany@amga.org](mailto:llattany@amga.org).

Sincerely,



Jerry Penso, MD, MBA  
President and Chief Executive Officer  
AMGA

---

<sup>i</sup> "AMGA Members' Response to Medicare Part B Cuts in 2024 and Likely Responses to Additional Cuts in 2025." *AMGA*, AMGA, 25 Sept. 2024, [www.amga.org/getmedia/9dad0b6d-b6ff-4142-96d5-09fd24ef904a/2024\\_medicare\\_cuts\\_survey\\_results.pdf](http://www.amga.org/getmedia/9dad0b6d-b6ff-4142-96d5-09fd24ef904a/2024_medicare_cuts_survey_results.pdf).

<sup>ii</sup> Ibid

<sup>iii</sup> "2024 Medicare Trustees Report." The Centers for Medicare and Medicaid Services, U.S. Government, 6 May 2024, [www.cms.gov/oact/tr/2024](http://www.cms.gov/oact/tr/2024).

<sup>iv</sup> Report on the Study of the Acute Hospital Care at Home Initiative." Centers for Medicare and Medicaid, United States Department of

---

Health and Human Services, Sept. 2024, [qualitynet.cms.gov/acute-hospital-care-at-home/reports](https://qualitynet.cms.gov/acute-hospital-care-at-home/reports).

<sup>9</sup> Medicare Shared Savings Program Continues to Deliver Meaningful Savings and High-Quality Health Care.” CMS.Gov, The United States

Department of Health and Human Services, 29 Oct. 2024, [www.cms.gov/newsroom/press-releases/medicare-shared-savings-program-continues-deliver-meaningful-savings-and-high-quality-health-care](https://www.cms.gov/newsroom/press-releases/medicare-shared-savings-program-continues-deliver-meaningful-savings-and-high-quality-health-care).